This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 08 TEL AVIV 005868

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WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
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USCINCCENT MACDILL AFB FL FOR POLAD/USIA ADVISOR
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COMSIXTHFLT FOR 019

JERUSALEM ALSO FOR ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

E.O. 12958: N/A
TAGS: <u>IS KMDR MEDIA REACTION REPORT</u>
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

In its lead story, Jerusalem Post reported that PM Sharon told Likud ministers on Tuesday that he intends to continue guiding the Likud ideologically in a different direction from the party's traditional ideal of maintaining as much as possible of the Land of Israel. Speaking on Israel Radio this morning, Eyal Arad, a senior strategy advisor to Sharon, said that if the diplomatic deadlock with the Palestinians continues, Israel may consider turning unilateral disengagement into government policy, including annexation of West Bank territory and withdrawal to what the Jewish state would set as its permanent border. Israel Radio later quoted the Prime Minister's Office as saying in response, "There is no plan for a further unilateral withdrawal."

All media, except Jerusalem Post, led with Israel's ongoing confrontation with Hamas and Islamic Jihad. All media quoted Defense Minister Shaul Mofaz as saying on Tuesday that Israel will target senior Hamas leaders if the organization continues to launch Qassam rockets into Israel. Yediot and Israel Radio reported that for the first time since 1967, IDF cannons bombarded open spaces in the Gaza Strip. Ha'aretz quoted Israeli defense officials as saying on Tuesday that certain Hamas cells in the West Bank -- at least in Ramallah and Hebron -- have resumed trying to carry out attacks against Israeli targets, even though the organization's leadership remains officially committed to the "lull" in the violence. Also reporting on this trend, Israel Radio cited an intelligence report that reached the PA, according to which Syrian President Bashar Assad met with Hamas and Islamic Jihad representatives, urging them to step up attacks against Israel. The radio, which says that Assad is trying to promote PLO hardliner Farouk Kaddoumi at the expense of PA Chairman [President] Mahmoud Abbas, reported that Assad's wooing of the extremist Palestinian groups prompted Egyptian President Hosni Mubarak to tell Assad that he could lose power if he continued supporting terror. The media reported that Hamas released a videotape The media reported that Hamas released a Videotape recorded shortly before the death of the Israeli Sasson Nuriel, who urged the government, in Arabic, at his captors' demand, to release all Palestinian prisoners held by Israel. The media cited Hamas as saying that it would abduct other Israeli citizens. Israel Radio reported that Justice Minister Tzipi Livni canceled a meeting scheduled for Thursday with PA Minister for Prisoners' Affairs Sufian Abu Zaida, saying that the abduction and murder of Nuriel, and the release of the videotape, were not a way to have prisoners freed.

Yediot reported that pressure by the IDF and Gaza Strip residents on the terrorist organizations made all Palestinian factions in Gaza decide on Tuesday to stop launching Qassam rockets and return to the 'tahdiya' (lull) while reserving the right to respond to Israeli actions. The newspaper reported that the decision was

preceded by the firing of two rockets into Sderot, including one that landed in the middle of a residential neighborhood.

Yediot cited a police announcement that the Shin Bet and police have arrested Yaqub Abu-Assab, a senior Hamas official who served as liaison between the group's branch in Saudi Arabia and its HQ in the West Bank

Israel Radio quoted IDF Intelligence head Maj. Gen. Aharon Zeevi-Farkash as saying that international efforts have created conditions in which Iran could reach nuclear capability only in two years' time.

Results of Ha'aretz and Maariv polls found that Sharon's narrow victory in the $\tilde{\mathbf{L}}$ ikud Central Committee on Monday has caused a dramatic turnabout in the balance of power between Sharon and his main rival, Knesset Member Binyamin Netanyahu: -Ha'aretz published the results of a survey conducted last night among Likud party members by the Amanet Group's Dialogue Institute: if the party's leadership primary were held today, Sharon would beat Netanyahu by 47.6 percent to 33.8 percent. Three weeks ago, the situation was reversed: Netanyahu edged out Sharon by six percentage points (44 percent to 38 percent). And two weeks before that, Netanyahu would have won in a landslide, with 47 percent of the vote, compared to 30 percent for Sharon. -Maariv printed the results of a TNS/Teleseker Polling Institute survey conducted on Sunday among members of the Likud's Central Committee: -"Whom do you intend to vote for in the Likud leadership primaries?" Sharon: 44 percent; Netanyahu: 22 percent; MK Uzi Landau: 16 percent. -"If only Sharon and Netanyahu competed?" percent; Netanyahu: 36 percent.

Jerusalem Post reported that, during a lecture at Bar-Ilan University on Tuesday, French Ambassador to Israel Gerard Araud belittled efforts to have Hizbullah placed on the EU's list of terrorist organizations as "feelgood diplomacy" that "wouldn't make the slightest difference."

Jerusalem Post lengthily described the ceremony in which Ambassador Richard H. Jones presented his credentials to President Moshe Katsav on Monday. The newspaper reported that Jones' inscription in the visitors' book read: "With all my heart and soul I pledge to use my office to strengthen the ties that bind our countries together and to help this holy land to find peace for the benefit of its people."

Ha'aretz and Israel Radio reported that Israel's representative to the UN Danny Gillerman met with fellow members of the Western Europe and Others group on Monday and told them that Israel intends to submit its candidacy as a member of the UN Security Council. Ha'aretz writes that the official request will be submitted within a few days.

Jerusalem Post reported that John Dugard, UN Special Rapporteur on Human Rights in the Palestinian Territories, included the idea of a binational solution to the Israeli-Palestinian conflict in his annual report. The newspaper cited the Foreign Ministry's expression of shock at Dugard's comments.

Leading media reported that on Tuesday, for the first time, archeologists found an artifact -- a seal -- apparently from the First Temple period, in rubble that the Muslim Waqf had removed from the Temple Mount's Solomon Stables area.

Yediot and Jerusalem Post reported that Natanel Levitt, the investigator acting on behalf of the Civil Service Commissioner, left for Washington for a repeat probe of the alleged affairs involving Israeli Ambassador to the U.S. Danny Ayalon, his wife, his personal secretary Liran Petersil, and FM Silvan Shalom. Yediot reported that Ayalon had complained that the first investigation was conducted in the presence of a senior Foreign Ministry official.

Maariv and Ha'aretz's web site reported that on Monday (Ha'aretz: on Tuesday), the Russian border control refused entry to Russia to the chief rabbi of the Moscow Choral Synagogue, Pinchas Goldschmidt, after he flew in from Israel. Maariv cited assessments that Goldschmidt, who served in his position for 17 years, either fell victim to infighting between Jewish organizations or that the Russian authorities suspected him of cooperation with U.S. intelligence.

Maariv reported that Pope Benedict XVI has apologized

to Israel over the fact that, in an address around one month ago, he omitted its name from the list of countries stricken by terror.

Yediot reported that Sharon last night, at a farewell gathering in honor of Defense Ministry Director-General Amos Yaron, told him that he (Yaron) was "not to blame for those matters." Sharon was referring to the affair of drone sales to China, over which the U.S. had reportedly demanded that Yaron be fired.

Yediot reported that Israeli billionaire businessman Eyal Ofer is building the most expensive residential project in Manhattan -- two towers of 20 and 43 floors between 61st and 62nd Streets, at the corner of Central Park West and Broadway.

Leading media cited an announcement by American and Iraqi forces that Abu Azzam, thought to be Al-Qaida's No. 2 man in Iraq, was killed on Sunday.

Yediot reported that the U.S. Treasury, the Federal Reserve, and the Secret Service are expected to announce jointly today the launching of a new, multicolored 10-dollar bill.

Mideast:

Summary:

Military correspondent Amos Harel wrote in independent, left-leaning Ha'aretz: "This morning, exactly five years ago, Ariel Sharon visited the Temple Mount.... In view of the use of artillery batteries and Mofaz's threats, Israel again appears to be playing with fire."

Arye Green, who was an advisor to former cabinet minister Natan Sharansky, wrote in Ha'aretz: "A [Palestinian] state can be established, but it needs international support, to be made conditional upon true democratic reforms."

Hebrew University history teacher and Likud Central Committee member Guy Ma'ayan wrote in popular, pluralist Maariv: "As historians have repeatedly pointed out, 'maximalists' have only been successful in the short term."

Block Quotes:

¶I. "Terror Moves to a New Front"

Military correspondent Amos Harel wrote in independent, left-leaning Ha'aretz (September 28): "After two days of massive Israeli pressure, it seemed for a moment this week that the Palestinian organizations were raising a white flag.... But Hamas is also driven by internal political considerations, mainly its understanding that public opinion in Gaza objects to renewing the fighting with Israel. On Tuesday, hours after Defense Minister Shaul Mofaz threatened to wipe out Hamas leaders, the organization responded with its own horrifying propaganda. It released a videocassette of abducted civilian Sasson Nuriel, filmed shortly before he was murdered by his kidnappers in Ramallah. The film not only indicates that Hamas intends to continue with the kidnappings, but also that the main terror activity is moving from the Gaza Strip to the West Bank.... Israel's first response to the cassette's release was that this is an 'Iraqi-style' terror act. But Palestinian organizations have been abducting people since the '70s.... Meanwhile, the army is continuing with operation First Rain. For two days there have been no assassinations, but in contrast the air force is continuing its strikes in Gaza and the army is rounding up people in the West Bank. Cannon shells were fired for the first time at Beit Hanoun on Tuesday. This is intended to make the Palestinian public turn against the Hamas, which started the present round of violence. This morning, exactly five years ago, Ariel Sharon visited the Temple Mount, triggering a series of hostilities that few had anticipated. In view of the use of artillery batteries and Mofaz's threats, Israel again appears to be playing with fire.

II. "Palestinian Democracy Is Possible"

Arye Green, who was an advisor to former cabinet

minister Natan Sharansky, wrote in Ha'aretz (September 28): "After the cloud of the withdrawal from Gaza scatters, the Israeli public will find itself exactly at the very point where it stood before the disengagement. After the two major illusions that had led Israeli politics -- the dream of Greater Israel and the chimera of peace in our time -- crashed, the Israeli public is looking for a direction, a vision, and a hope.... One must help the Palestinians create a free and democratic state.... According to [Natan Sharansky's book, The Democracy Advantage], three to five years will be needed to build the necessary civilian infrastructure: a free market, an education free of incitement to violence, the creation of political parties and organizations enjoying freedom of speech and association, and, of course, the total cessation of terrorist actions, and the dismantling of the terror groups. Only after this infrastructure is built, will elections take place. The leader who will be chosen in them will enter negotiations with Israel over the state's permanent borders, the status of Jerusalem, and the other contentious issues. The January [2006] elections are important as one step on the path, but they do not meet that test, especially if Hamas's participation is allowed without the group being disarmed.... Such a state can be established, it needs international support, to be made conditional upon true democratic reforms. The very recognition of [Palestinian] statehood, economic support, and the handing over of land, must be directly linked to progress in democratization. What is perhaps the most important should be to encourage those in Palestinian society who are attempting to promote democratic reforms."

III. "Beware of a Pyrrhic Victory"

Hebrew University history teacher and Likud Central Committee member Guy Ma'ayan wrote in popular, pluralist Maariv (September 28): "Sharon's victory is that of the moderate line within Likud. If the approval of the Labor Party's joining [the cabinet] around one year ago was seen as the initial approval of the disengagement plan, the rejection of the postponement of the primaries represents an expression of trust in the Prime Minister's moderate course. grants a seal of approval to his speech at the UN General Assembly, to the Foreign Minister's efforts to translate the disengagement into diplomatic gains, and is evidence that the applause in New York was heard loud and clear at the Likud Central Committee's convention.... I have often claimed on these pages that the disengagement wasn't a passing whim, but the outcome of a long-drawn-out process, in which the Israeli public is increasingly inclined to move in the direction of the political center, to abandon ideological margins, and to adopt realistic positions in the fields of foreign policy and security.... This stance has been strengthened following the relative ease with which the disengagement was implemented, and the lack of secular protest against it. As a popular party, Likud ... has understood that that diplomatic wisdom is no guarantee for remaining in power.... As historians have repeatedly pointed out, 'max have only been successful in the short term. maximalists

JONES